

Compliance with the IG Act Amendments of 1988

VA collected \$25.5 million in disallowed costs from VA-contracted suppliers in 2003.

The IG Act requires management to complete all final actions on recommendations within 1 year of the date of the IG's final report. Departmentwide, there are 8 reports that have been pending final action for over 1 year. Since 1996, there has been a reduction in the number of unimplemented reports pending final action. Delays were incurred in implementing recommendations as a result of the development and implementation of new regulations or directives, collection and/or write-off activities, and system changes.

Disallowed Costs and Funds to Be Put to Better Use Reporting Period October 1, 2002 – September 30, 2003 (dollars in millions)

	Disallowed Cost		Funds to Be Put to Better Use	
	Reports	Value	Reports	Value
Balance 9/30/02	6	\$1.2	15	\$474.3
New Reports	35	\$24.4	37	\$44.9
Total	41	\$25.6	52	\$519.2
Completed	36	\$25.5	41	\$342.9
Balance 9/30/03	5	\$0.1	11	\$176.3

OIG Reports Pending Final Action Over One Year After Management Decisions Have Been Made

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
No. of Reports	80	65	42	36	28	19	14	8

Source: "Compliance with the IG Act Amendments of 1988" section reported by Office of Inspector General, Audit Follow-up Division.